A 0400-1

The Aluminum Situation

ECONOMICS AND STATISTICS — APRIL 1991

INDUSTRY NET SHIPMENTS DOWN 7.0 PERCENT

Based on preliminary figures for the first two months of 1991, net shipments totaling 2,384 million pounds, decreased 7.0 percent from the two month 1990 total of 2,565 million pounds. Domestic shipments, totaling 1,939 million pounds, declined 6.6 percent from the 1990 total of 2,076 million pounds.

U.S. exports of aluminum ingot and mill products totaled 445 million pounds during the first two months of 1991, a decrease of 8.9 percent from the two month 1990 total of 488 million pounds.

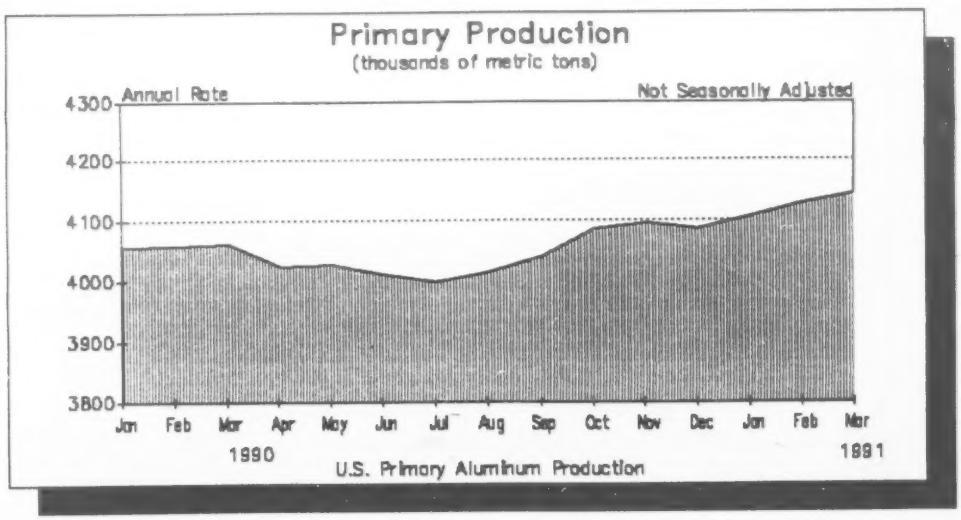
THRU FEBRUARY 1991

	1991 2 Mos.	1990 2 Mos.	% Change
Mill Products	1,942	2,094	-7.3
Ingot	443	471	-6.1
Total	2,384	2,565	-7.0
Less Exports	445	488	-8.9
Domestic Total	1,939	2,076	-6.6

Figures in Millions of Pounds
Source: Bureau of the Census
U.S. Department of Commerce

MARCH PRODUCTION JUMPS TO 11,356 METRIC TONS PER DAY

U.S. primary aluminum production averaged 11,356 metric tons daily during March 1991. This compares with an average of 11,130 metric tons a day in March 1990 and 11,315 metric tons a day in February 1991. The annual rate of production in March 1991 was 4,144,999 metric tons compared with 4,062,568 metric tons in March 1990 and 4,129,845 metric tons in February 1991. Production in March 1991 totaled 352,041 metric tons.



This report contains information reported to the Association by the domestic producers, which is aggregated by the Association. While the Association believes that its statistical procedures and methods are reliable, it does not warrant the accuracy or completeness of the data. All data contained herein are subject to revision.

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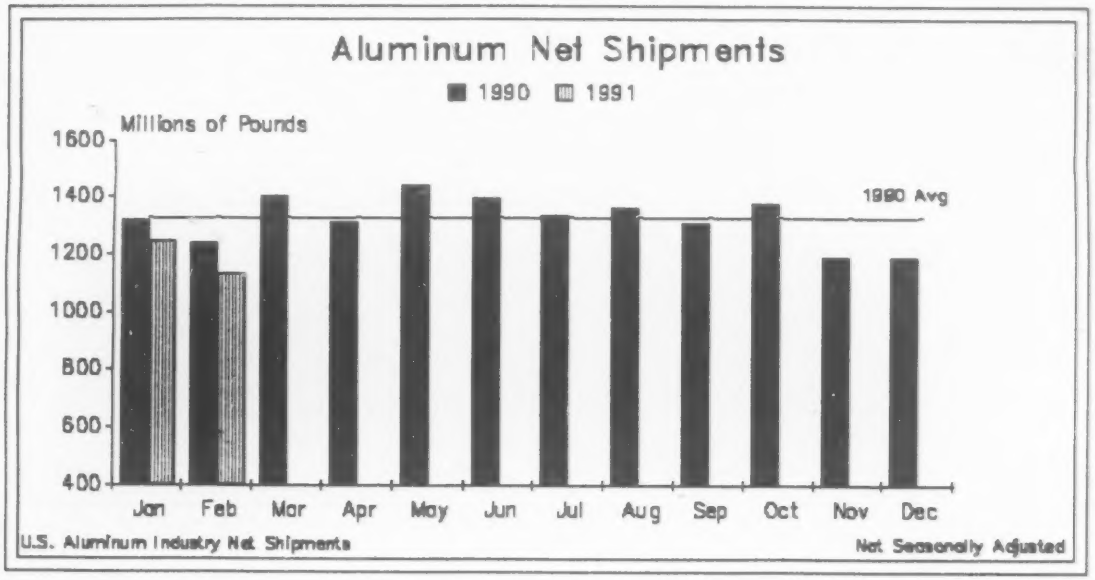
FEBRUARY NET SHIPMENTS REPORTED AT 1,134 MILLION POUNDS

According to Bureau of the Census reports, February industry net shipments totaling 1,134 million pounds, decreased 9.3 percent from the previous month's revised total of 1,250 million pounds. Compared to the previous year, reported industry net shipments declined 8.8 percent from the February 1990 total of 1,243 million pounds. During the first two months, Census reported that producer shipments of aluminum rod, bar and wire, totaling 42 million pounds, have declined 19.2 percent from the previous year and shipments of sheet, plate and foil totaling 1,271 million pounds decreased 3.5 percent. Shipments of extruded shapes and tube, totaling 351 million pounds, declined 16.2 percent.

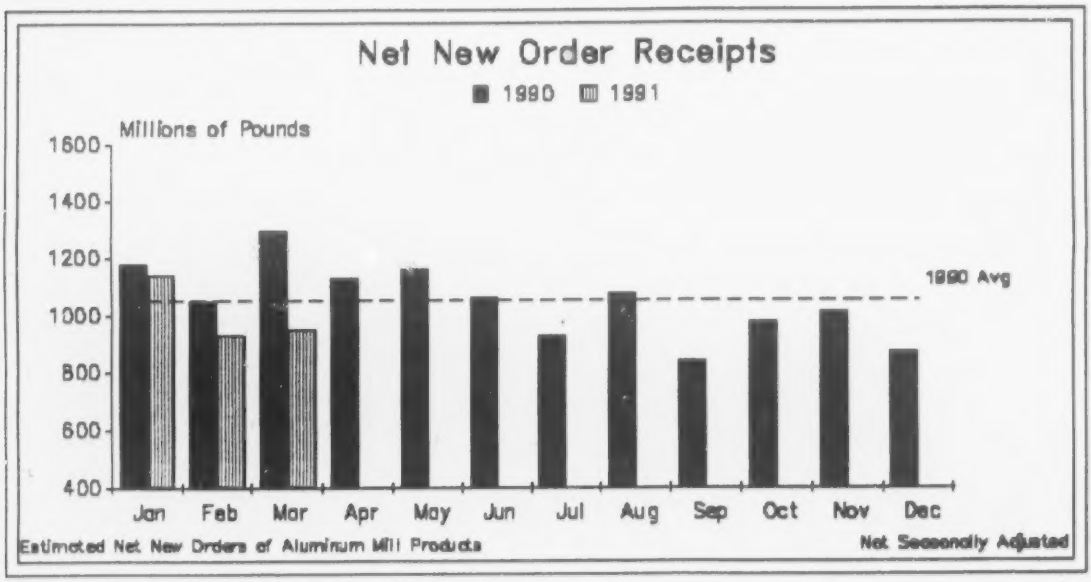


NET SHIPMENTS (Millions of Pounds)	1991 Feb.	1990 Feb.	1991 2 Mos.	1990 2 Mos.	% Change 1991 vs 1990
Sheet	521.0	548.3	1,084.5	1,125.9	-3.7
Plate	22.3	20.2	44.8	41.4	8.1
Foil	66.1	75.7	141.2	148.9	-5.2
Rod,Bar & Wire	16.4	26.5	42.4	52.5	-19.2
Elec. Conductor	47.8	45.2	99.7	91.5	8.9
Extruded Shapes,Tube	168.0	201.2	351.0	418.8	-16.2
Powder & Paste	7.1	6.9	14.4	13.1	9.4
Forgings & Impacts	11.1	12.0	22.6	25.1	-9.7
Net Imports of Mill Products (Total) (a)	69.3	88.4	141.0	176.3	-20.0
Total Mill Products	929.1	1,024.4	1,941.6	2,093.5	-7.3
Ingot	204.7	218.5	442.6	471.3	-6.1
TOTAL INDUSTRY SHIPMENTS	1,133.8	1,242.9	2,384.2	2,564.8	-7.0
Exports	222.2	224.9	444.8	488.4	-8.9
TOTAL DOMESTIC SHIPMENTS	911.5	1,018.1	1,939.4	2,076.4	-6.6

Source: Bureau of the Census, U.S. Department of Commerce - CIR M33-D
Note: Cummulative data includes revisions for previous periods
(a) Not included in product data above.

MARCH ORDERS ESTIMATED AT 955 MILLION POUNDS

Estimated net new order receipts of aluminum mill products for March 1991 totaled 955 million pounds, a increase of 2.3 percent from the revised February 1991 total of 932.6 million pounds. Year-to-Date, industry order receipts were estimated at 3,031 million pounds, down 14.2 percent from the 1990 total of 3,532 million pounds.



ORDER RECEIPTS (Millions of Pounds)	1991 March	1990 March	1991 3 Mos.	1990 3 Mos.	% Change 1991 vs 1990
Sheet & Plate, Other	287.8	425.7	855.5	1,161.5	-26.3
Can Stock (a)	343.5	429.8	1,081.2	1,109.9	-2.6
Foil	69.4	93.3	221.7	292.1	-24.1
Bar, Rod & Wire	35.7	61.9	115.4	153.4	-24.8
Electrical Conductor	43.9	43.1	155.5	124.9	24.5
Extruded Shapes & Tube	155.6	220.9	533.9	623.5	-14.4
Powder & Paste	10.6	9.6	37.9	31.6	19.9
Forgings & Impacts	8.2	14.0	29.8	34.6	-13.9
Total Mill Products	954.7	1,298.3	3,030.9	3,531.5	-14.2

Source: The Aluminum Association estimates total industry orders (including orders for imports) based on weekly reports by members of new orders (less cancellations) received. The Association expands these data to total industry utilizing an expansion ratio that attempts to reflect the relationship of reporters to the total industry. Weekly data are available on a subscription basis.
Note: Cummulative data includes revisions for previous periods.
(a) Domestic only. Orders for exports of Can Stock are included in Sheet and Plate, Other.

PRODUCER INVENTORIES INCREASE 117 MILLION POUNDS

Reported producer inventories increased in February 1991 to a reported total of 4,185 million pounds. This represents an 117 million pound increase from the revised January level of 4,068 million pounds.

Month-End Aluminum Producer Inventories
(Millions of Pounds)

	Total	Ingot	Scrap	All Other
December	4,024	1,355	610	2,066
January	4,068r	1,354r	580r	2,133
November	4,185	1,448	591	2,146

Source: Bureau of the Census, U.S. Department of Commerce.

CUSTOMER INVENTORIES REPORTED AT 33.1 DAYS

Respondents to the Association's Customer Inventory Survey reported that their Average Days Inventory as of February 28, 1991 was 33.1, a decline of 2.4 percent over inventories reported at the end of January.

Month-End Aluminum Customer Inventories
(Average Number of Days)

December	34.9
January	33.9
February	33.1

Source: Aluminum Association - Customer Inventory Position Survey

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U.S. IMPORTS & EXPORTS (Millions of Pounds)		1991 Feb.	1990 Feb.	1991* 2 Mos.	1990 2 Mos.	% Change 1991 vs 1990
Imports	Mill Products	69.3	88.4	141.0	176.3	-20.0
	Ingot	175.2	161.9	350.6	348.0	0.8
	Total	244.5	250.4	491.6	524.2	-6.2
	Scrap (+ dross)	34.2	54.1	64.6	94.3	-31.5
	Grand Total	278.7	304.4	556.2	618.5	-10.1
Exports	Mill Products	101.1	80.9	188.6	169.9	11.0
	Ingot	121.1	144.0	256.1	318.5	-19.6
	Total	222.2	224.9	444.8	488.4	-8.9
	Scrap	98.1	101.1	228.3	206.1	10.8
	Grand Total	320.3	326.0	673.1	694.5	-3.1
Net Imports		-41.6	-21.6	-116.9	-75.9	54.0

Source: Bureau of the Census, U.S. Department of Commerce.
(*) Cummulative data may include revisions for previous periods